



Is Japanese Gin a New Growth Trend for the Gin Category?

by The IWSR Drinks Market Analysis, www.theiwsr.com

Japanese producers are invigorating the gin category with releases that explore native botanicals and alternate spirits bases, as well as a meticulous approach to blending.

More widely known for whisky and the local spirit shochu, Japan is becoming an established gin market, as well. The global thirst for Japanese whisky over the past 20 years has paved the way for craft gin to bloom in the country, driving interest and demand for other Japanese spirits in whisky's wake.

IWSR data shows that volume consumption of Japanese gin in Japan grew by approximately 3% (CAGR) from 2014 to 2019. However, the appetite for the spirit outside of Japan is particularly strong, with volumes of Japanese gin increasing by over 20% (CAGR) during the same period, globally.

For Japanese craft producers, gin is an ideal counterpart to whisky's slow maturation, allowing them to quickly release products to market and tap into the global gin trend.

"In 2021, over 20 new distilleries were granted production licenses by the government," said Piotr Poznanski, Research Director at IWSR. "Although many of these specified whisky production, they will likely make gin while they wait for the whisky to mature. Many existing shochu producers are switching their production to the trendier gin category, as well, as an aging consumer base has led to declines in shochu volumes over the years."

Although Japan is better known for its whisky in the world of spirits, the country's long history with gin dates back to the Edo period (1603–1868). The first commercial release of Japanese gin didn't occur for another hundred years or more; in 1936, Suntory introduced Hermes Dry Gin, a London Dry style.

Despite this, gin wasn't widely consumed in Japan until more recently, and the Japanese gin movement is a fairly new development. Jump-started by The Kyoto Distillery in 2016 with the release of the first Japanese craft gin, Ki No Bi, the gin category is now seeing a lot more product innovation that fuses Japanese sensibilities and ingredients with gin's juniper bite.

Distinctly Japanese Bases

There is a heavy shochu influence at play in many product releases, drawing on the long history of distilling rice, *imo* (sweet potato), and *mugi* (barley) in Japan. Others take a page from whisky bases, using corn. And a new wave of distillers is digging deeper still into Japanese ingredients. With no specification about what base must be used to produce gin, producers are exploring distillations of traditional Japanese beverages such as sake or awamori, a native spirit unique to Okinawa, Japan.

Native Botanicals

One of the ways that these gins distinguish themselves is through the myriad of indigenous ingredients that impart a distinctly Japanese flavor profile to the finished spirits. Juniper often stays in the background, allowing the local botanicals to shine.

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30A Distilling Opens in Florida

30A Distilling has opened in Santa Rosa Beach, Fla. The craft distillery makes spirits with regionally sourced ingredients. The first products are Blue Mountain Beach Bourbon (40.7% ABV), Seacrest Community White Rum (40%) and Seagrove Community Vodka (40%).



Brian Babon of 30A Distilling

"As pristine as the west end spot it's named for, our Blue Mountain Beach Bourbon gets back to the basics," said Brian Babon, founder of 30A Distilling. "Blue Mountain Beach shines neat, on the rocks, or as the base of your favorite cocktail. We start by distilling a blend of corn, malted barley and rye and then age to perfection for at least four years. Once cracked from the barrels, we blend it with pure water — and that's it. No flavor additives or coloring, just genuine bourbon."

A 750-ml bottle of Blue Mountain Beach Bourbon sells for about \$50, about \$35 for Seagrove Community Vodka (distilled from Louisiana cane sugar) and about \$30 for Seacrest Community White Rum.

